Reduction in customs duty on coal

4687. SHRI SANJAY NIRUPAM: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry of Finance has received any recommendation from the Ministry of Environment and Forests and Ministry of Health and Family Welfare to reduce the customs duty on ENVIRON Coal; and

(b) if so, Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes, Sir. The Ministry of Environment and Forests had recommended that duty on non-coking coal, having low ash content for use in power sectors, may be reduced.

(b) This recommendation was examined during the Budget 2003-04 exercise and it was decided not to make any changes in the customs duty rate on non-coking coal of low ash content.

IRDA's report on pension reforms

4688. SHRI JANARDHANA POOJARY : Will the Minister of FINANCE be pleased to state :

(a) whether Insurance Regulatory Development Authority (IRDA) has submitted a report to Government on pension reforms;

(b) if so, what are the recommendations of IRDA in this regard;

(c) whether Government have considered the Report and taken a decision on the recommendations ; and

(d) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL) : (a) The Insurance Regulatory and Development Authority (IRDA) has submitted a report on Pension Reforms in the "Unorganised Sector" to the Government.

(b) The main features of the proposed pension system recommended by IRDA are :—

(i) The system is envisaged as a purely voluntary one with both the participation and the contributions being voluntary.

(ii) The system is primarily aimed at the unorganised sector that is not covered by any currently available pension scheme.

(iii) The system ensures an organisation which will interface with the contributors and the regulator.

(iv) The system shall have an emphasis on low and clear charges to enable customers to compare easily the different plans.

(v) The emphasis on competition through a system of multiple providers shall ensure that these strive consistently to out perform each other on costs, fund management, and customer service.

(vi) The system would regulate providers and products as well as the selling process thereof, thus reducing cost and complexity while maintaining the security of the peoples' funds.

(vii) The system should also plan for a compulsory annuitisation of a certain threshold level; withdrawal or commutations of the accumulated corpus for certain specified reasons would be permitted beyond this amount.

(c) and (d) The Government has announced in the Budget 2003-04 the introduction of a new pension system, which would offer a basket of pension policies. The system envisages voluntary participation on defined contribution basis which will be portable, allowing transfer of benefits in case of change of employment and will go into " individual pension accounts" with pension Fund. However, there will be no contribution from the Government in respect of non-Government employees/individuals. In addition, Government also announced a "Varishtha Pension Bima Yojana" through which a pensioner, or any citizen above 55 years of age could on payment of a lump-sum amount get benefits calculated at 9% per annum. This scheme will be implemented through Life Insurance Corporation of India (LIC).

Import of refined edible oil as crude oil

4689. SHRI JANARDHAN POOJARY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that refined edible oil is imported as crude oil to evade high import duty ;

(b) if so, the quantum of crude and refined edible oil imported and Import Duty collected during the last three years, year-wise separately for crude and edible oil;

(c) whether Government have initiated any mechanism to check such malpractice; and

(d) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) to (d) The information is being collected and will be laid on the Table of the House.